HOUSING MARKET INSIGHT
Alberta

CANADA MORTGAGE AND HOUSING CORPORATION

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"Low oil prices and a contraction in economic activity has reduced housing demand across the province. While housing activity in Alberta's five largest CAs has declined this year, activity in the new home, resale and rental markets are expected to stabilize and gradually improve in 2017 and 2018."

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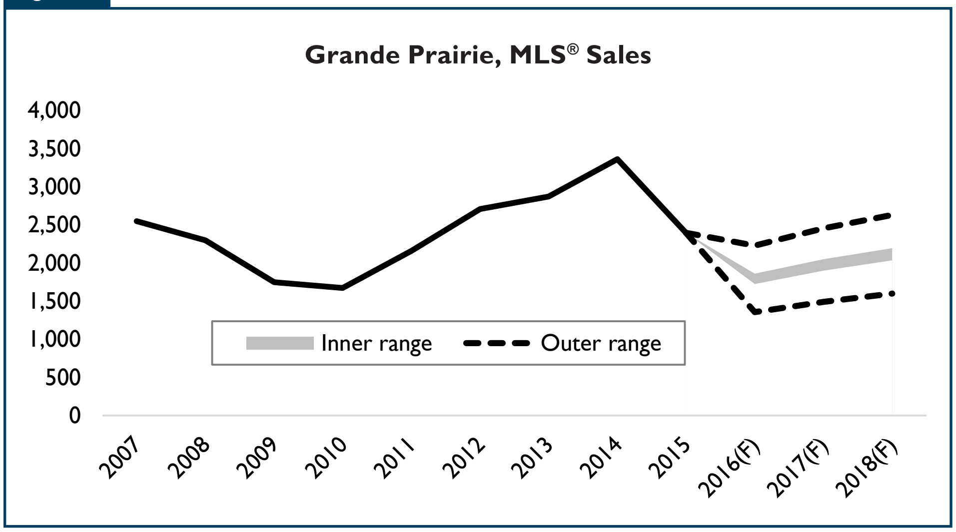
Low oil prices in 2016 have held back economic activity in Alberta

The fourth quarter 2016 housing outlook in Alberta's five largest Census Agglomerations (CAs), which include Grande Prairie, Lethbridge, Medicine Hat, Red Deer and Wood Buffalo, share some similarities and differences over the forecast period. Low oil prices in 2016 have held back economic activity in Alberta. Reduced investments and job losses in the energy industry have also impacted growth in many other industries. Alberta's real GDP is projected to decline for a second consecutive year in 2016. The contraction in economic growth has reduced housing market activity across the province. Alberta's economy is projected to begin expanding in 2017 and 2018 as higher oil prices stabilize investment and support employment growth. While the energy sector is one of Alberta's primary economic drivers, the dependence on oil and the degree of economic diversity varies from centre to centre. Overall, housing activity in Alberta's five largest CAs is expected to stabilize and gradually improve over the next couple of years.

Figure 1



Source: CREA, CMHC Forcast (F)

Grande Prairie

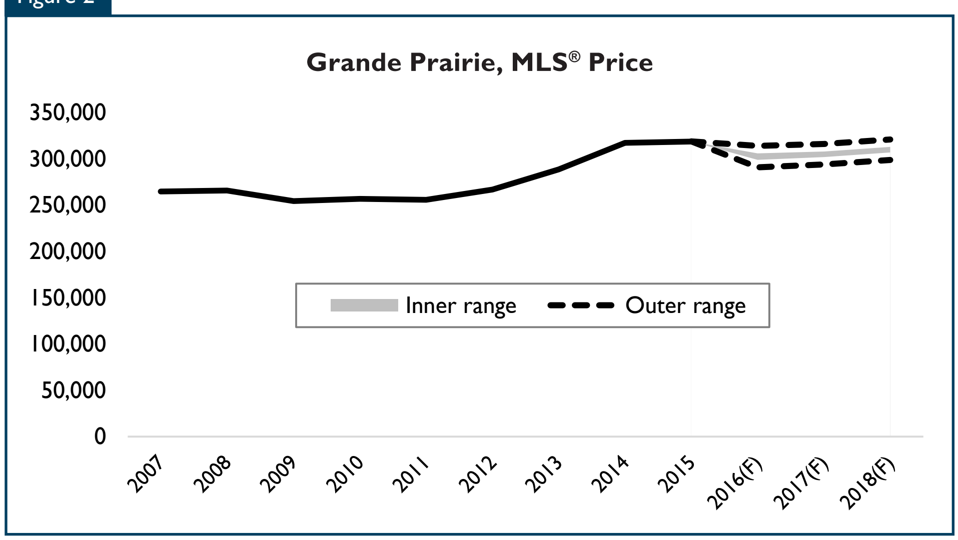
Existing Home Market

MLS® sales[1] are forecast to range between 1,725 and 1,860 in 2016, compared to 2,394 in 2015. The decline in employment opportunities and the large number layoffs in the census region this year has moderated housing demand. Full-time employment shed a net of 18,500 workers year-over-year in the third quarter of 2016, and the unemployment rate increased to 7.2 per cent, a 1.8 percentage point increase over the same period a year prior. Job losses were largest, unsurprisingly, in the forestry, fishing, oil and gas sector, which lost 6,900 workers year-over-year that quarter.

Modest growth in sales is expected in 2017 and 2018 as various construction projects and improvements in the energy sector support economic activity and demand for housing. A new hospital in Grande Prairie is currently under construction and is expected to open in 2019[2]. This will not only support construction employment and migration to Grande Prairie, but also create health care jobs after the hospital is completed. Natural gas prices are also expected to grow slowly over the next few years contributing to increased energy investments.

The resale market has been over-supplied relative to demand, putting downward pressure on prices.

Figure 2



Source: CREA, CMHC Forcast (F)

Housing market conditions in Grande Prairie have largely favoured the buyer in 2016. The average MLS® price is forecast to range from $299,000 to $306,000 in 2016, down from $318,798 in 2015. The sales-to-active listings ratio, a measure of sales to total number of houses available on the resale market, has declined this year and averaged eight per cent in the third quarter of the year. A low sales-to-active listings is indicative of a situation where buyers have more market power than sellers.

For 2017 and 2018, housing market conditions are expected to improve. Gains in employment will help support sales. While the sales-to-active listings ratio trended down throughout 2016, the ratio is expected to gradually increase in 2017, supporting price growth. The average MLS® price is forecast to range between $302,000 and $308,000 in 2017, and between $307,000 and $311,000 in 2018.

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1 MLS is a trademark of the Canadian Real Estate Association

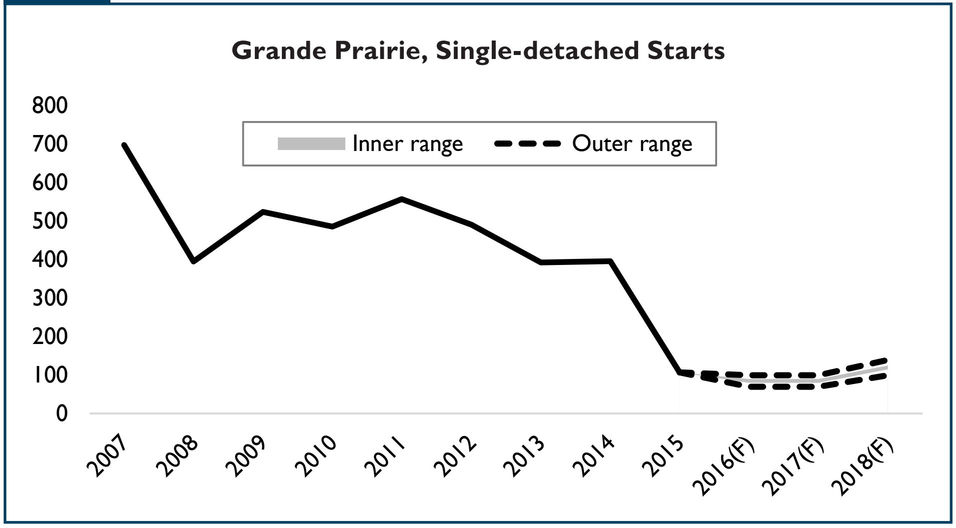
2 Source: http://www.albertahealthservices.ca/about/Page2408.aspx

New Home Market

Similar to the resale market, the new home market in 2015 and 2016 has also been over-supplied. While supply of new homes, which includes units in inventory and those under construction, has declined on a year-over-year basis, demand for housing has been relatively low. To the end September, single-detached absorptions of new homes and single-detached resales were down 35 and 26 per cent, compared to the same period a year earlier, respectively. After reaching 107 single-detached starts in 2015, single starts in 2016 are forecasted to range between 80 and 90 units.

In 2017, new home construction will continue to be held back as builders look to move existing inventory and a well-supplied resale market provides prospective home buyers with additional options. The energy sector is expected to continue to grow in 2018, and the supply of housing will be more aligned with demand. Single-detached starts are forecast to range between 80 and 90 units in 2017, and increase to a range of 115 to 125 units in 2018. In the multi-family sector, following a year where 336 multiple starts broke ground, multiple construction is forecast to range from 32 to 35 units in 2016[3], 27 to 33 in 2017, and 35 to 45 in 2018. Apartment construction, especially for rental units, is expected to remain relatively low as apartment vacancy rates stay above historical averages. As such, semi-detached and row units are anticipated to make up a majority of multiple construction over the next couple of years. Price declines in the resale market may also attract buyers away from the new home market.

Figure 3



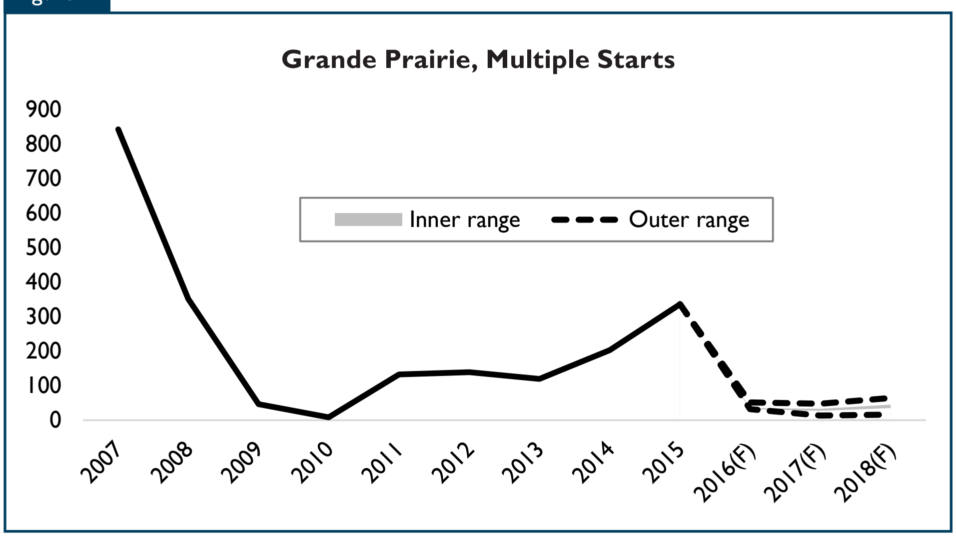
Source: CMHC Forcast (F)

Rental Market

With one 250 unit rental apartment building completed in 2016, the supply of rental has increased while demand has been weak. The vacancy rate in Grande Prairie increased from 10.4 percentage points, to 19.8 per cent in October 2016. Demand for rental units is expected to gradually improve over the next couple of years, while additions to rental supply slow down. As such, the rental apartment vacancy rate is forecast to decline to 10 per cent in 2017 and five per cent in 2018.

The average two-bedroom rent in October 2016 was $1,022, compared to $1,193 in October 2015. Higher vacancy rates have induced landlords to offer incentives and lower rental rates. As vacancy rates remain elevated in 2017, further rent

Figure 4



Source: CMHC Forcast (F)

[3] This forecast was made excluding 67 apartment starts reported in January 2016. It was discovered that they had started in 2015.

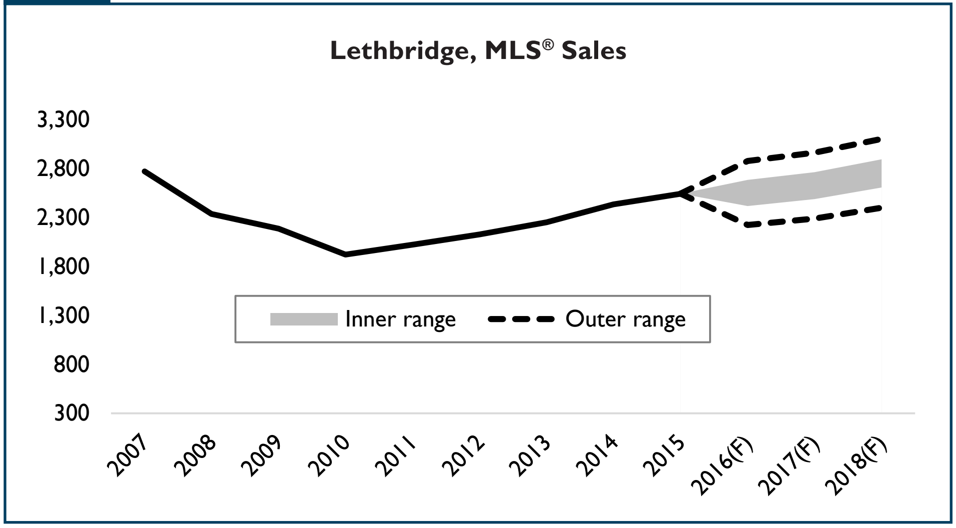
reductions are expected. Vacancy rates are forecasted to moderate again in 2018 as rental demand improves, supporting rent growth. The two-bedroom rent is forecast to average $1,000 in 2017 and $1,015 in 2018.

Lethbridge

Existing Home Market

Agriculture is the cornerstone of Lethbridge's diverse economy, along with a large public sector that underlies the economic base of the region. As such, Lethbridge has proven relatively resilient compared to other oil and gas dependent cities of Alberta. Year-to-date seasonally adjusted employment at the end of the third quarter was up five per cent year-over-year, with the lowest unemployment rate amongst all major centres[4] in Alberta at 5.2 per cent. Net migration has remained positive, helping Lethbridge's population continue to grow[5]. Combined with a relatively young demographic profile and historically low interest rates, demand for existing homes is expected to move higher over the forecast period. Existing home sales have trended upwards throughout 2016 and are expected to between 2,420 and 2,680 units by the end of the year. Agricultural prices are expected to support economic activity throughout the forecast period[6]. In 2017 and 2018 resales are expected to range between 2,490 and 2,760 and 2,610 and 2,890, respectively.

Figure 5



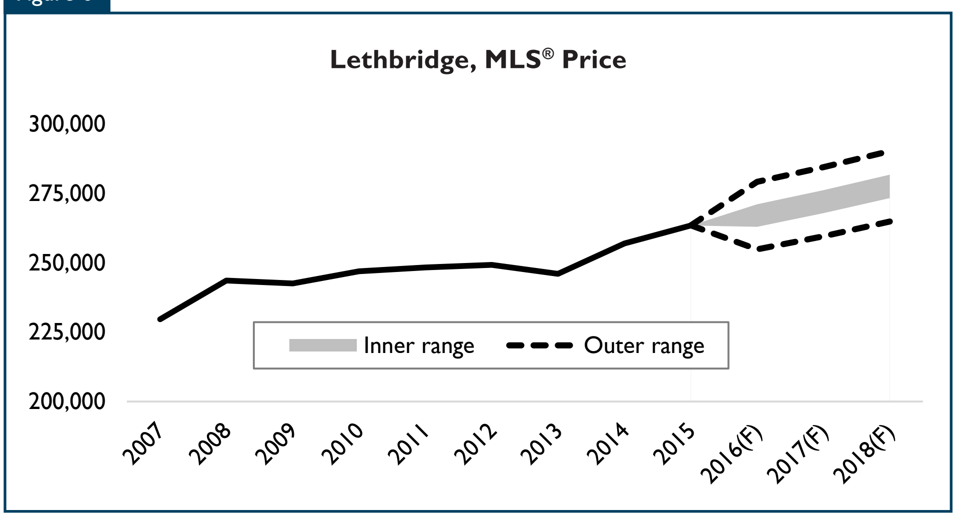
Source: CREA, CMHC Forcast (F)

Lethbridge has continued to exhibit balanced market conditions throughout the year. Moving forward, population and employment growth will improve demand for existing home properties and be supportive of price growth. The average resale price is forecast to range between $262,900 and $271,000 in 2016, followed by $273,275 and $281,700 in both 2017 and 2018, respectively.

New Home Market

Single-detached inventory was up 77 per cent year-over-year as of September. Despite an uptick in demand, builders have pulled back on construction efforts in an attempt to manage inventory levels. Consequently, construction activity has slowed in 2016 and is forecast to range between 440 and 460 starts, marking a reduction from the 567 units initiated in 2015. Construction efforts are anticipated to renew once inventory levels fall back in line with historical norms, leading to renewed

Figure 6



Source: CREA, CMHC Forcast (F)

[4] Refers to Alberta's two CMAs (Calgary and Edmonton) and five CAs (Lethbridge, Medicine Hat, Red Deer, Wood Buffalo, and Grande Prairie.

[5] CMHC calculations based on Statistics Canada table 051-0062. 2015 figures indicate that Lethbridge's population grew by 1.3 per cent, with a preceding five year average of 1.6 per cent.

[6] For example, see Agriculture and Agri-Food Canada's "Outlook for Principal Field Crops, 2016"

construction efforts in the latter portion of the forecast period. Single-detached starts are expected to range between 464 and 486 units and 498 and 522 units in 2017 and 2018, respectively.

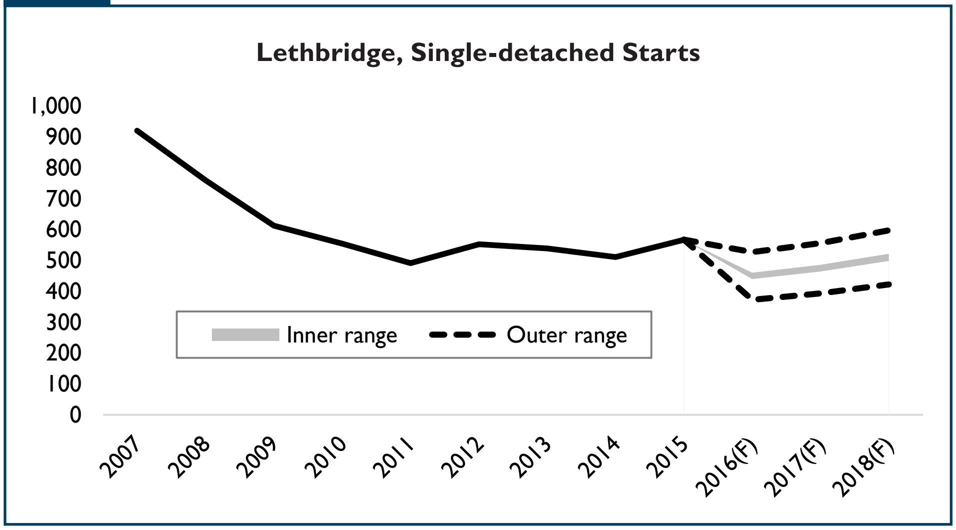
Similarly, multiple construction has also waned in 2016 following two strong years of production. The pullback by builders has forced inventory levels downwards throughout the year and, as of September, only 14 units were complete and unabsorbed. This is well below the historical average; however, it is not uncommon for Lethbridge to experience considerable swings in inventory levels, as a single apartment project or row home complex has the potential to significantly change supply levels. That being said, there are no signs of any major projects to be initiated before the end of the year. It is expected that builders will respond to low inventory levels during the remaining years of the forecast period with increased production, albeit with row housing likely comprising the bulk of builders' efforts. Multiple starts are forecast to range between 160 and 200 units in both 2016 and 2017, and 178 and 222 units in 2018.

Rental Market

After increasing to 6.1 in October 2015, the vacancy rate in Lethbridge for purpose-built apartment units moved up further, reaching 8.5 per cent in October 2016. While the increase in the vacancy rate in October 2015 was due to a rise in supply, Lethbridge's rental market universe remain relatively static between the two most recent surveys. Instead, a decline in rental demand was the driving force behind the increase in 2016, as indicated by a 2.5 per cent reduction in the total number of occupied apartment units. Historically low interest rates combined with growing employment encouraged individuals into homeownership, reducing overall demand for rental units. Looking forward, migration, combined with Lethbridge's comparably young population, will support rental demand and help reduce the number of vacant units. In addition, if the carrying cost gap between renting and homeownership grows too large, more people may remain in the rental market. Given this, the vacancy rate is forecast to decline to six per cent in 2017 and reach five per cent in 2018.

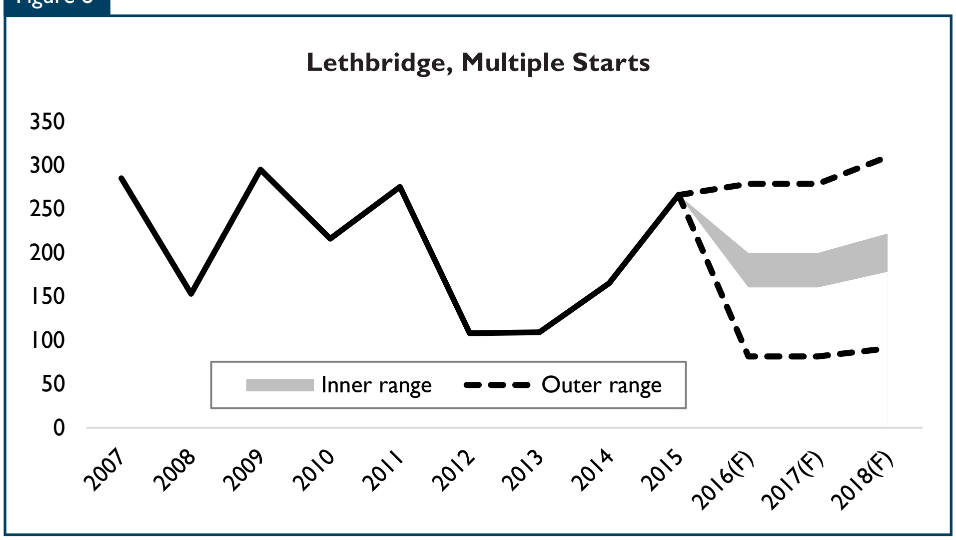
Despite the increase in the vacancy rate, the average two-bedroom purpose-built apartment rent rose from $919 in 2015 to $939 in 2016. Moving forward, rental market conditions are expected produce only modest growth in rent levels. The average two-bedroom apartment rent is forecast to be $945 and $960 in 2017 and 2018, respectively.

Figure 7



Source: CMHC Forcast (F)

Figure 8



Source: CMHC Forcast (F)

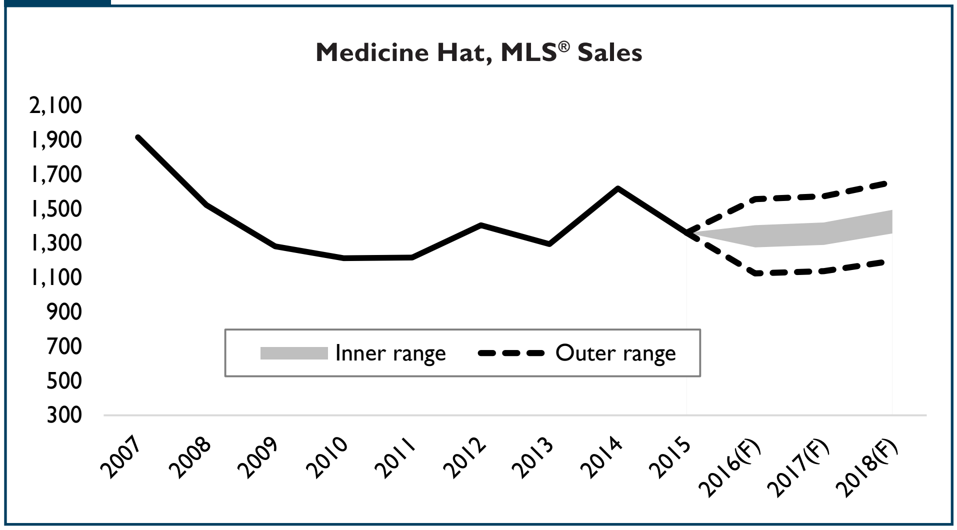
Medicine Hat

Existing Home Market

As with many other centres in Alberta, the low priced energy environment has impacted economic activity in Medicine Hat, negatively affecting economic and demographic fundamentals that support demand for housing. According to Statistics Canada, year-to-date employment was down five per cent year-over-year at the end of the third quarter, with an even greater reduction in full-time employment at seven per cent. Weak labour market conditions have eroded migration levels, as some individuals that are in search of work have left the city[7]. Consequently, population growth in Medicine Hat has stagnated[8]. The result has been a further easing of demand for existing homes. In 2015, there was an 11 per cent reduction in the annual number of existing home sales compared to 2014. Since then, sales have trended downwards throughout this year, creating the expectation that 2016 will most likely finish with another year-over-year decline. Resales are forecast to decline from 1,360 units in 2015 to range between 1,275 and 1,400 in 2016. In 2017 and 2018, housing demand will improve as the provincial economy begins to recover, producing between 1,290 and 1,420, and 1,360 and 1,490 sales, respectively.

Medicine Hat's resale market conditions remain firmly entrenched within buyers' market conditions, creating downward pressure on prices. Resale activity has also been concentrated on the lower end of the price spectrum which has, in turn, helped pull down the average price. The average price in 2015 was $282,454, and in 2016 is expected to finish the year lower to range between $265,200 and $268,800. The remainder of the forecast period is anticipated to produce modest price gains as demand improves and sales begin to occur more broadly across the price spectrum, helping to lift the average price. The average price for 2017 and 2018 is forecast to be between $269,200 and $272,800 and $274,100 and $277,900, respectively.

Figure 9

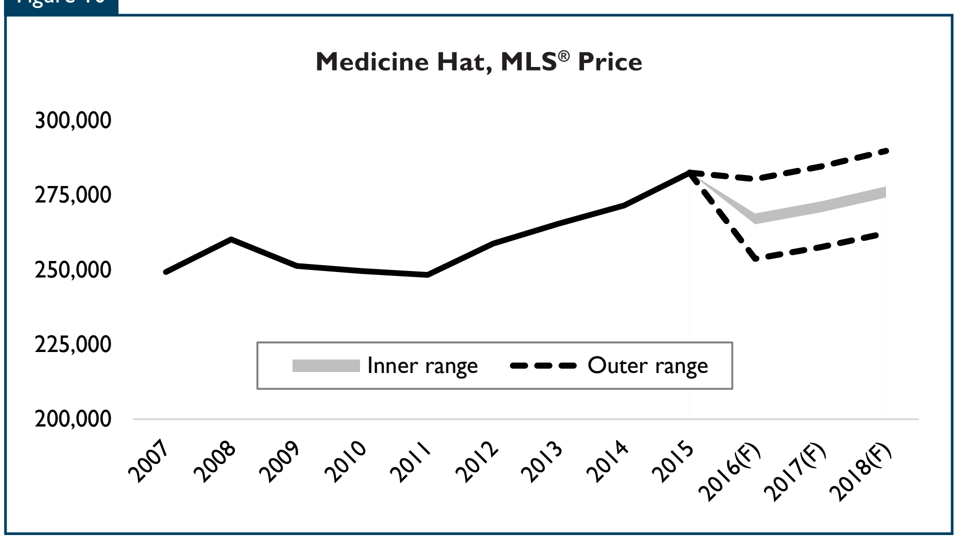


Source: CREA, CMHC Forcast (F)

New Home Market

Single-detached inventories were elevated in the beginning of 2016. As with existing home sales, demand for new homes also moderated due to economic conditions, causing completions to outpace absorptions and push up inventory levels. Demand for new single-detached homes has continued to moderate

Figure 10



Source: CREA, CMHC Forcast (F)

[7] CMHC calculations based on Statistics Canada table 051-0063. 2014/2015 figures indicate a net outflow of individuals, totalling 260 individuals leaving Medicine Hat.

[8] CMHC calculations based on Statistics Canada table 051-0062. 2015 figures indicate that Medicine Hat's population grew by 0.2 per cent.

throughout the year and at the end of September, the total number of absorbed units in 2016 was down eight per cent, year-over-year. However, a pullback in construction efforts by builders has helped reduce inventory levels, which were down 24 per cent year-over-year as of September. The attempt by builders to manage inventory levels will translate into 2016 being a slow year for single-detached construction. After recording 146 starts in 2015, it is forecast that activity will decline and range between 95 and 105 single starts in 2016. An increase in 2017 with 100 to 110 starts is expected, and 124 to 136 starts in 2018.

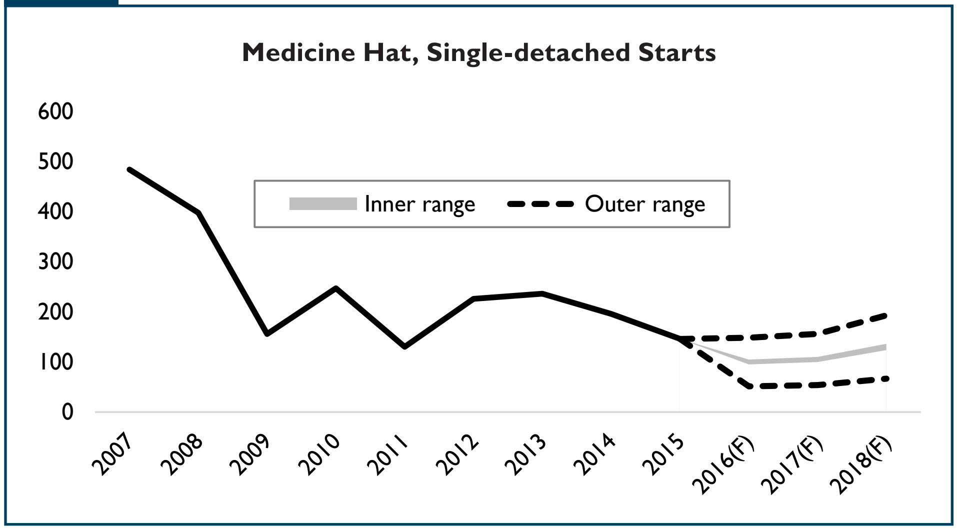
Multiple construction activity in Medicine Hat has been subdued for a number years, remaining well below the level of activity recorded in the years before the recession in 2009. Construction efforts have largely been curtailed by builders; however, completions have outpaced absorptions so far this year which has led to an upwards movement in inventory. Moving forward, labour market conditions and competition from the resale market will limit the demand for multiple units. Furthermore, a soft rental market minimizes the incentive to create additional rental units. It is expected that builders will remain hesitant to invest in large scale multiple projects until economic conditions improve. As a result, it is forecast that multiple starts will remain low in 2016 and 2017, ranging between 39 and 51, and 30 and 40 units, respectively. In 2018, construction activity is expected to increase with multiple starts ranging from 52 to 68 units.

Rental Market

In October 2016, the overall vacancy rate in Medicine Hat was 5.4 per cent, up from 4.6 per cent a year earlier. Migration outflows and weak demographic fundamentals led to a reduction in the demand for rental units, helping to push up the vacancy rate. Furthermore, historically low interest rates will continue to lure prospective renters into homeownership. Until labour market conditions improve, helping to attract migrant workers, rental demand will remain subdued. The overall vacancy rate in 2017 is forecast be five per cent, followed by a reduction in 2018 to 4.5 per cent.

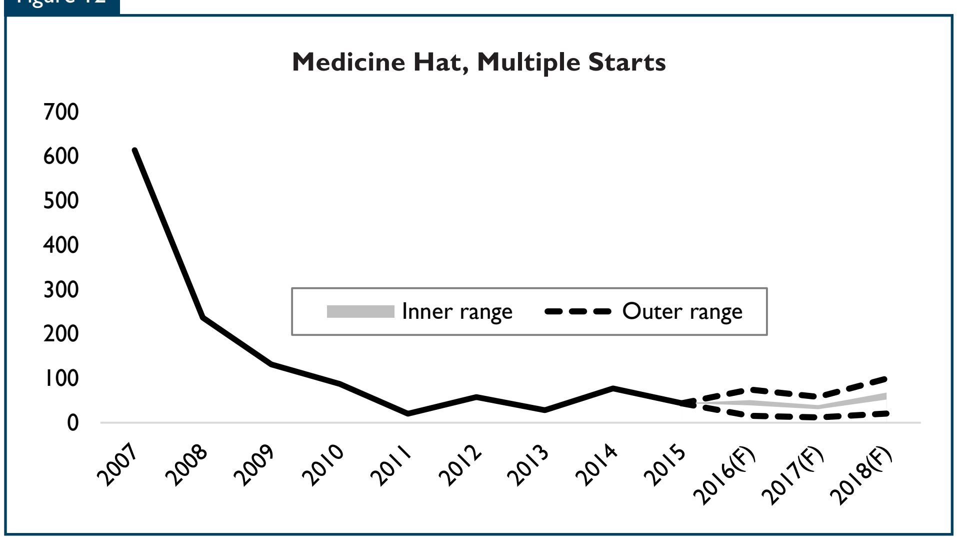
The average purpose-built two-bedroom apartment rent decreased from $828 in 2015 to $825 in 2016. With vacancies rising, landlords had little incentive to raise rents. CMHC's Fall 2016 rental market survey found same-sample rents for two-bedroom apartment were unchanged from the previous year. Rent levels will receive minimal upward pressure until rental demand begins to improve. With this in mind, it is expected that the average two-bedroom apartment rent in 2017 will be $830. Provided there are no large increases in rental supply, rent levels should see some additional upward movement in 2018, averaging $840 for a two-bedroom apartment unit.

Figure 11



Source: CMHC Forcast (F)

Figure 12



Source: CMHC Forcast (F)

Red Deer

Existing Home Market

In 2016, existing home sales remained well below that of the previous year. The Red Deer region contains a relatively young population when compared to the province, with an age demographic typically supportive of first-time home buying activity. However, labour market conditions have deteriorated throughout the year, which has moderated demand for existing homes. Resale activity is not expected to increase until 2018, when economic and demographic fundamentals are expected to strengthen. As such, sales are forecast to decrease from the 4,439 units sold in 2015 and range between 3,340 and 3,960 units in 2016. The remaining years of the forecast will see sales between 3,290 and 3,910 units in 2017, and between 3,360 and 3,990 units in 2018.

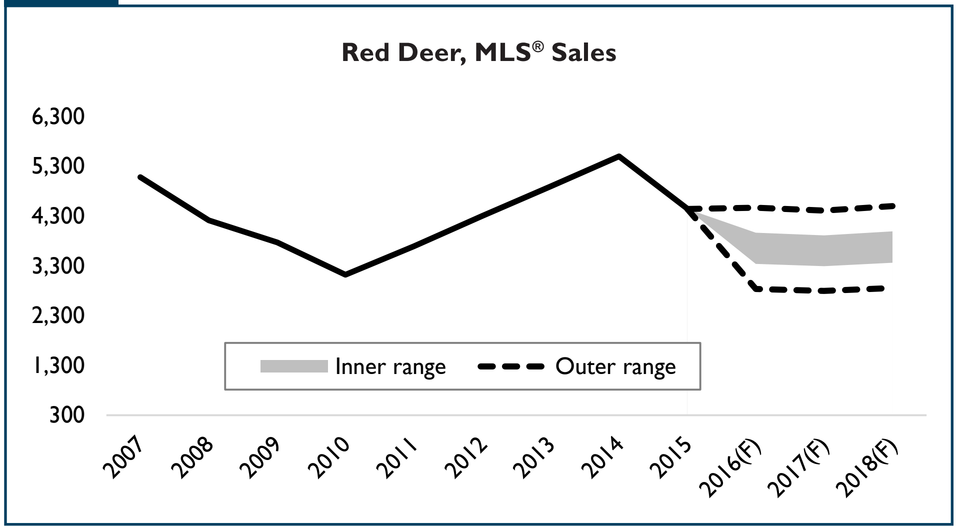
Market balance continues to favor the buyer and elevated supply is placing downward pressure on resale prices. Also, budget conscious buyers have been active on the lower end of the price spectrum, creating a composition effect that has served to further pull down average prices. Price growth will remain suppressed over the next couple years, as demand for resale units is not expected to pick up until later in the forecast period. After minimal price growth and an annual average resale price of $314,563 in 2015, the average resale price is forecast to range between $293,100 and $312,900 in both 2016 and 2017, and from $297,000 to $317,000 in 2018.

New Home Market

Single-detached starts in 2015 amounted to 253 units, representing a 36 per cent reduction from the previous year. Despite the decline, builders continued to pull back construction in 2016 in an attempt to further manage inventory levels, which placed the pace of starts below that of last year. As a result, inventory levels have decreased thoughout the year and currently remain in line with historical norms. That being said, the new home market will face competition from the existing home market, as an elevated number active listings will provide increased choice for prospective buyers. It is expected that single-detached starts will remain suppressed throughout the forecast period. Single-detached starts are forecast to range between 143 and 157 units for both 2016 and 2017, and 152 and 168 units in 2018.

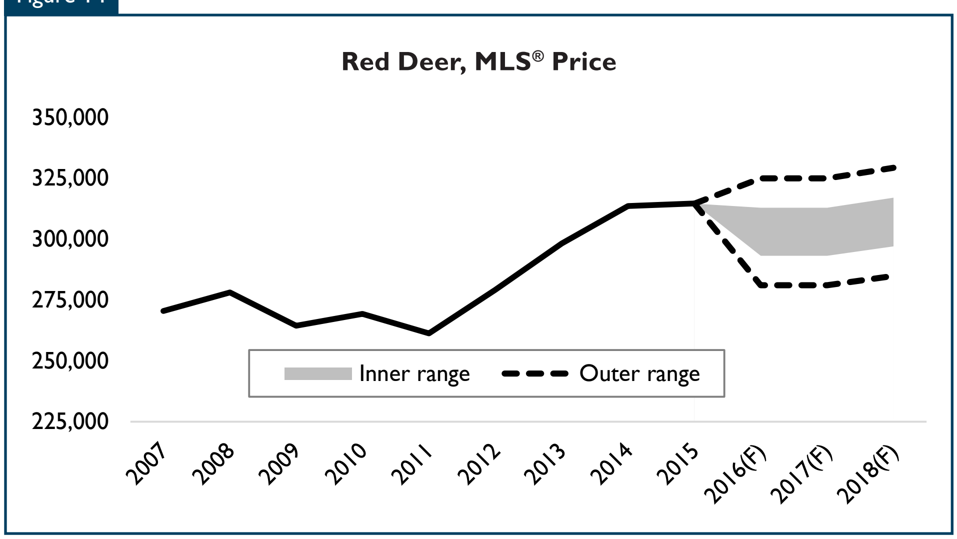
The multi-family sector experienced a 20 per cent year-over-year increase in the number of starts in 2014; however, 2015 saw a seven per cent decline to 439 total units. This trend continued in 2016 as the pace of multiple construction recorded a considerable slowdown. Market rental projects have comprised a growing share of multiple construction over the past several

Figure 13



Source: CREA, CMHC Forcast (F)

Figure 14



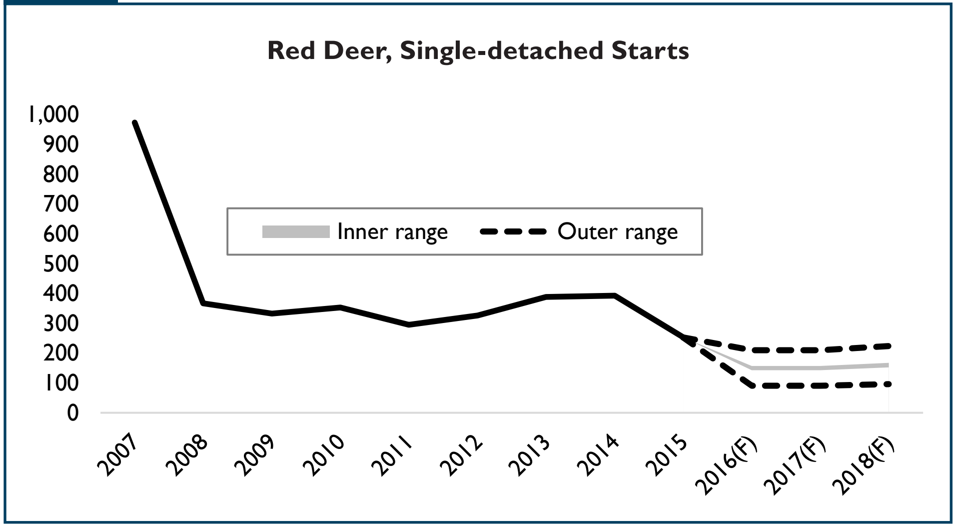
Source: CREA, CMHC Forcast (F)

years, representing 80 per cent of multiple starts in 2015. Construction so far this year, however, has been supported by a social rental housing project. With no announcements of any additional social housing projects, and an elevated number of rental units under construction, it is expected that the current economic climate within the region and elevated selection within the existing home market will minimize the probability of a large scale multi-family project being initiated. With this in mind, multiple construction is anticipated to ease substantially over the forecast period. In 2016, multiple starts are forecast to range between 196 and 244 units, followed by a reduction to between 143 and 177 units in 2017 and between 147 and 183 units in 2018.

Rental Market

Reduced economic activity and limited job prospects have translated into reduced migration levels to the Red Deer region. Most recent migration data from Statistics Canada[9] show net migration down 38 per cent year-over-year and Red Deer's 2016 municipal census[10] estimated that the population decreased by one per cent over the past year. As a result, rental demand in Red Deer has declined. This, combined with an increase in rental supply, pushed up the overall vacancy rate to 13.6 per cent October 2016[11]. Moving forward, Red Deer is expected to align with provincial expectations and experience improving economic conditions over the forecast period, which will help strength migration levels and support rental demand. Red Deer's vacancy rate is forecast to decrease to 10.5 per cent in 2017 and decline to four per cent in 2018.

Figure 15



Source: CMHC Forcast (F)

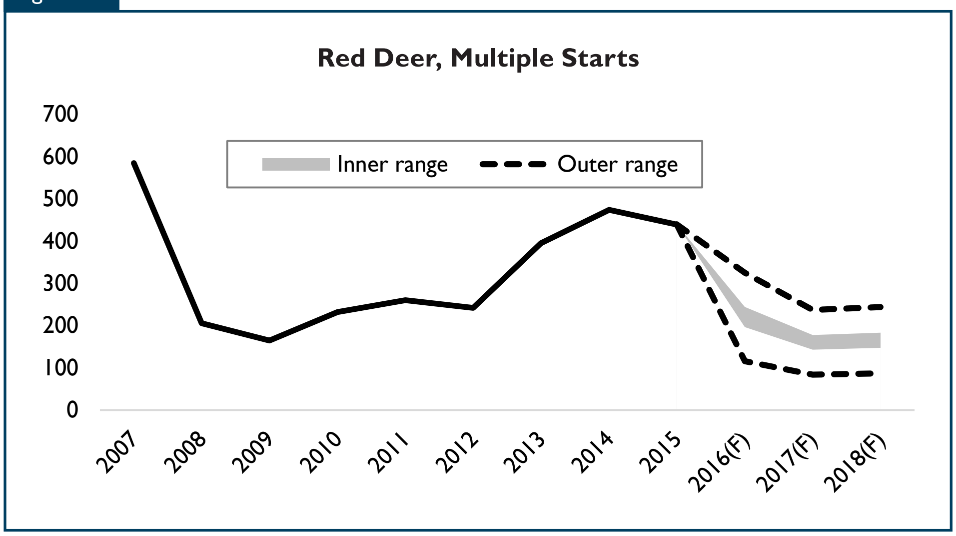
The average two-bedroom rent in October 2016 declined $20 to $1,016, as landlords lowered rental rates in an attempt to help fill vacant units. Average rents are expected to decline further in 2017 to $1,000 followed by a slight increase in 2018 to $1,015.

Wood Buffalo

New Home Market

New home demand in 2016 started the year fairly weak. Low oil prices led to layoffs and created a sense of job insecurity, contributing to weak

Figure 16



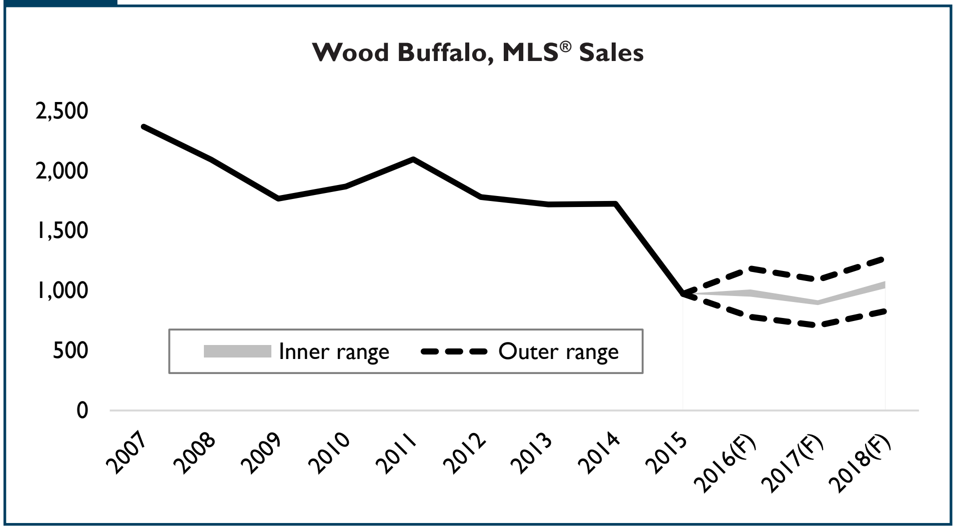
Source: CMHC Forcast (F)

[9] Statistics Canada, table 051-0062. July 1st 2014 to June 30th 2015.

[10] Available at: http://www.reddeer.ca/about-red-deer/population-and-demographics/census/

[11] CMHC. Rental Market Report. October 2016

Figure 17



Source: CREA, CMHC Forcast (F)

new housing construction. In addition, a significant increase in work camp accommodation and fly-in-fly-out services over the last several years drew some prospective buyers and renters away from home ownership. While housing demand had moderated due to weaker economic conditions, Fort McMurray was afflicted with wildfires that destroyed nearly 2,000 structures in the month of May. For the balance of 2016, single-detached starts will be minimal due to clean-up, land remediation and insurance processes. Single-detached starts are forecast to range between 7 and 60 units in 2016, compared to 74 in 2015.

In 2017 and 2018, the rebuild will begin in earnest. It is estimated that local builders can build approximately 600 homes a year.[12] Not all of the residential structures lost were single-detached homes, thus single-detached starts are forecast to range between 475 and 525 in 2017, and 525 and 575 in 2018. A large source of uncertainty in the forecast is due to the emergent nature of the rebuilding plan from the Regional Municipality of Wood Buffalo (RMWB) and to the incomplete knowledge of the proportion of single-detached homes among the structures destroyed at the time the forecast was developed.

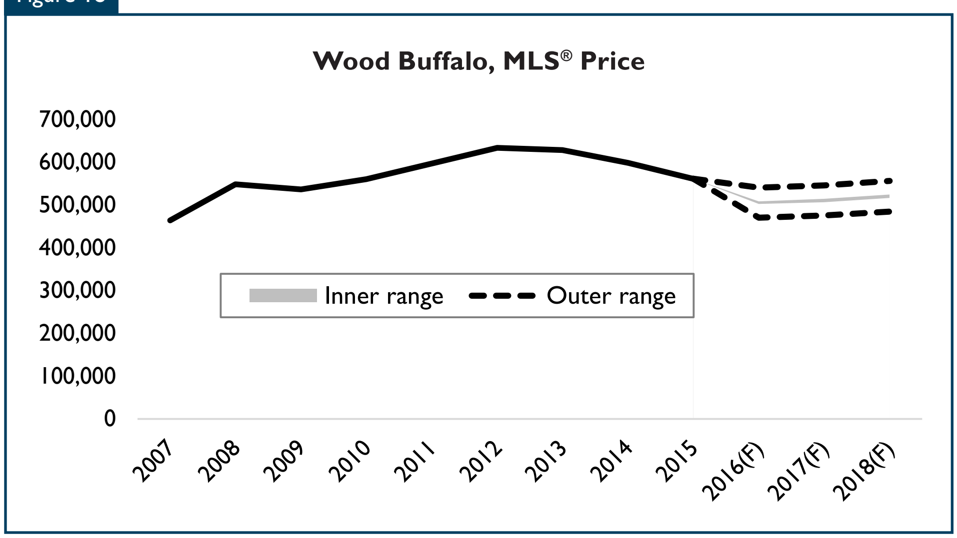
Like single-detached starts, multi-family starts were weak at the beginning of the year and few additional starts are expected over the balance of 2016. Multiple starts were forecast to range between six and 20 units in 2016, down from 119 in the previous year. With many multiple units also destroyed during the wildfires, new construction is expected to increase as homes are rebuilt. Thus, in both 2017 and 2018, multiple starts are forecast to range between 75 and 125 units.

Rental

Destruction of many homes in Wood Buffalo has caused people to look for temporary accommodation while their homes are rebuilt. Given the large amount of available units, residents did not have issues finding temporary housing. However, some residents have found accommodations in hotels and extended stay suites. In October 2016, the apartment rental vacancy rate was 17.8 per cent, down from 29.4 per cent in October 2015.

The apartment vacancy rate is forecast to decline to eight per cent in 2017 and seven per cent in 2018. When the rebuild begins in earnest next year, construction workers will need accommodations as they arrive to assist in the rebuild, supporting

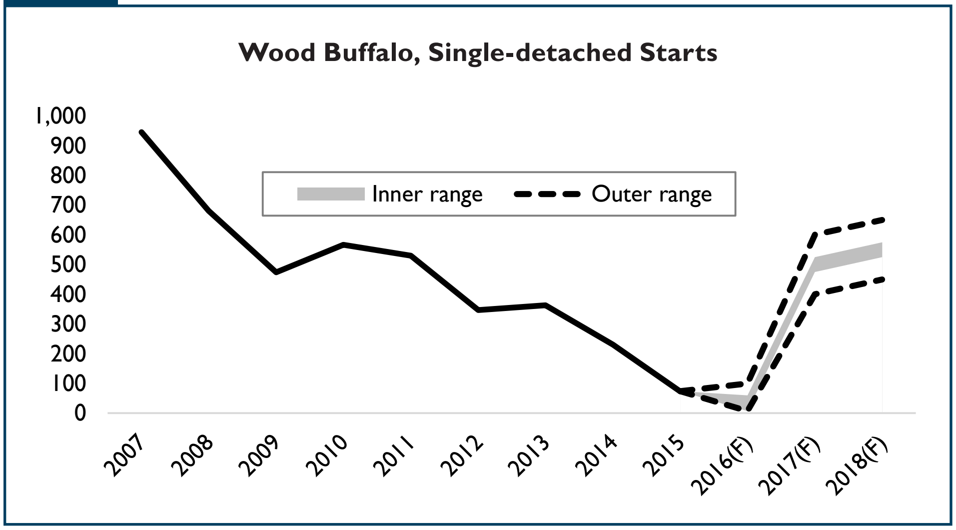
Figure 18



Source: CREA, CMHC Forcast (F)

[12] Source: interview with CHBA and Fort McMurray Builders

Figure 19



Source: CMHC Forcast (F)

rental demand. As this is happening, steady, slow increases in oil prices will start to bring workers to Wood Buffalo. While some of these workers take up larger accommodations in Fort McMurray, most of these workers will opt to live in the company owned camps. The decline in vacancy rates will be tempered as people move out of the rental accommodations when their homes are rebuilt.

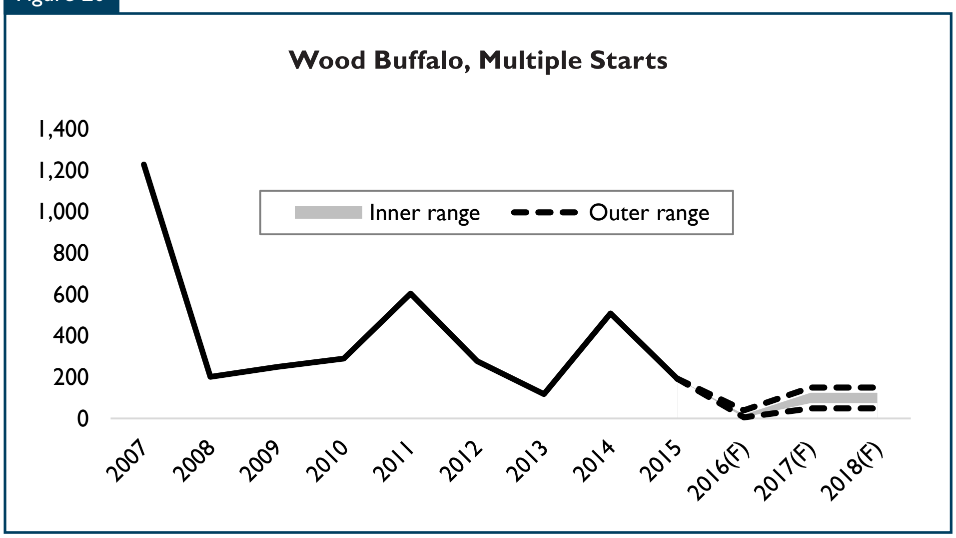
Rental rates have declined as vacancy rates remain well above historical averages. In October 2016, the average two-bedroom rent declined to $1,454 compared to $1,841 in the same month a year earlier. As a number of communities in Fort McMurray are being rebuilt, rental rates are not expected to rise next year. Prospective renters will continue to benefit from incentives in 2017 as landlords aim to attract and retain tenants. Rental demand in 2018 is anticipated to modestly improve. The rent for a two-bedroom unit is forecast to average $1,454 in October 2017 and $1,475 in October 2018.

Existing Home Market

Resale numbers were weak to start the year as low oil prices weakened the labour market and housing demand. In the first four months of 2016, only 210 homes had been sold[13], well below the five-year average of 523 units. After the fire, some displaced residents sought to move instead of rebuilding their home, thus boosting resale activity. However, this is not expected to continue into 2017. MLS® sales are forecast to range between 950 and 1,010 in 2016, and between 880 and 920 in 2017. Increasing oil prices should induce oil companies to hire more people in Wood Buffalo, putting some positive pressure on sales in 2018. MLS® sales in 2018 are forecast to range between 1,020 and 1,080.

At the beginning of 2016, the average MLS® price continued to trend down. To the end of April 2016, the average price was $488,910, down 15 per cent from the same period a year earlier. The sale-to-active listings ratio averaged nine per cent in the first quarter, indicating market conditions that heavily favoured buyers. However, average prices started to trend up after the wildfires as lower resale supply put upwards pressure on prices. The decline in supply may have been due to homeowners taking their home off the market immediately after the wildfires while waiting for a price trend to emerge. Further, the fire removed supply from the market as active listings

Figure 20



Source: CMHC Forcast (F)

[13] MLS is a trademark of the Canadian Real Estate Association

fell in June and July. Increase sales have also supported price stability. The average price in the third quarter was $511,537. In 2016, the average MLS® price is expected to stabilize and range between $502,000 and $508,000.

Slowly rising oil prices and a reduction of available inventory due to the fire will provide some upward support for prices in the next two years. The average MLS® price is forecast to range between $506,000 and $514,000, and $516,000 and $524,000 in 2017 and 2018, respectively.

Forecast Summary Grande Prairie CA Fall 2016	2013	2014	2015	2016(F)		2017(F)		2018(F)	
				(L)	(H)	(L)	(H)	(L)	(H)
New Home Market									
Starts:									
Single-Detached	393	396	107	80	90	80	90	115	125
Multiples	120	203	336	32	35	27	33	35	45
Starts - Total	513	599	443	110	125	110	125	140	160
Resale Market									
MLS® Sales	2,870	3,363	2,394	1,725	1,860	1,900	2,050	2,035	2,195
MLS® Average Price($)	288,738	317,468	318,798	299,000	306,000	302,000	308,000	307,000	311,000

	2013	2014	2015	2016	2017(F)	2018(F)
Rental Market						
October Vacancy Rate (%)	1.3	1.2	10.9	19.8	10.0	5.0
Two-bedroom Average Rent (October)($)	1,129	1,166	1,193	1,022	1,000	1,015

Multiple Listing Service® (MLS®) is a registered trademark of the Canadian Real Estate Association (CREA).
Rental Market: Privately initiated rental apartment structures of three units and over.
The forecasts (F) included in this document are based on information available as of 30th September 2016. (L)=Low end of Range. (H)=High end of range.
It is possible that the low end (L) and the high end (H) of forecast ranges for residential housing starts for singles and multiples jointly may not add up to the total. This is caused by rounding as well as the volatility of the data.
Source: CMHC (Starts and Completions Survey and Market Absorption Survey). Statistics Canada. CREA(MLS®). CMHC Forecast (2016-2018).

Forecast Summary Lethbridge 2016	2013	2014	2015	2016(F)		2017(F)		2018(F)	
				(L)	(H)	(L)	(H)	(L)	(H)
New Home Market									
Starts:									
Single-Detached	539	511	567	440	460	464	486	498	522
Multiples	109	165	266	160	200	160	200	178	222
Starts - Total	648	676	833	603	657	627	683	680	740
Resale Market									
MLS® Sales	2,250	2,433	2,543	2,416	2,684	2,487	2,763	2,606	2,894
MLS® Average Price($)	246,057	257,008	263,408	262,938	271,062	267,862	276,138	273,278	281,722

	2013	2014	2015	2016	2017(F)	2018(F)
Rental Market						
October Vacancy Rate (%)	4.8	4.8	6.1	8.6	6.0	5.0
Two-bedroom Average Rent (October)($)	863	898	919	939	945	960

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It is possible that the low end (L) and the high end (H) of forecast ranges for residential housing starts for singles and multiples jointly may not add up to the total. This is caused by rounding as well as the volatility of the data.
Source: CMHC (Starts and Completions Survey and Market Absorption Survey). Statistics Canada. CREA(MLS®). CMHC Forecast (2016-2018).

Forecast Summary
Medicine Hat
2016

	2013	2014	2015	2016(F)		2017(F)		2018(F)	
				(L)	(H)	(L)	(H)	(L)	(H)
New Home Market									
Starts:									
Single-Detached	236	196	146	95	105	100	110	124	136
Multiples	28	77	44	39	51	30	40	52	68
Starts - Total	264	273	190	123	167	119	161	161	219
Resale Market									
MLS® Sales	1,294	1,619	1,360	1,275	1,405	1,290	1,420	1,356	1,494
MLS® Average Price($)	265,401	271,489	282,454	265,189	268,811	269,161	272,839	274,127	277,873

	2013	2014	2015	2016	2017(F)	2018(F)
Rental Market						
October Vacancy Rate (%)	3.9	4.1	4.6	5.4	5.0	4.6
Two-bedroom Average Rent (October)($)	727	795	828	825	830	840

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It is possible that the low end (L) and the high end (H) of forecast ranges for residential housing starts for singles and multiples jointly may not add up to the total. This is caused by rounding as well as the volatility of the data.

Source: CMHC (Starts and Completions Survey and Market Absorption Survey). Statistics Canada. CREA(MLS®). CMHC Forecast (2016-2018).

Forecast Summary
Red Deer
2016

	2013	2014	2015	2016(F)		2017(F)		2018(F)	
				(L)	(H)	(L)	(H)	(L)	(H)
New Home Market									
Starts:									
Single-Detached	389	393	253	143	157	143	157	152	168
Multiples	395	474	439	196	244	143	177	147	183
Starts - Total	784	867	692	256	344	248	332	265	355
Resale Market									
MLS® Sales	4,893	5,496	4,439	3,337	3,963	3,291	3,909	3,360	3,990
MLS® Average Price($)	298,245	313,510	314,563	293,133	312,867	293,133	312,867	297,002	316,998

	2013	2014	2015	2016	2017(F)	2018(F)
Rental Market						
October Vacancy Rate (%)	1.9	2.2	5.4	13.6	10.5	4.0
Two-bedroom Average Rent (October)($)	937	966	1,036	1,016	1,000	1,015

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Rental Market: Privately initiated rental apartment structures of three units and over.
The forecasts (F) included in this document are based on information available as of 30th September 2016. (L)=Low end of Range. (H)=High end of range.
It is possible that the low end (L) and the high end (H) of forecast ranges for residential housing starts for singles and multiples jointly may not add up to the total. This is caused by rounding as well as the volatility of the data.

Source: CMHC (Starts and Completions Survey and Market Absorption Survey). Statistics Canada. CREA(MLS®). CMHC Forecast (2016-2018).

Forecast Summary Wood Buffalo CA Fall 2016									
	2013	2014	2015	2016(F)		2017(F)		2018(F)	
				(L)	(H)	(L)	(H)	(L)	(H)
New Home Market									
Starts:									
Single-Detached	363	231	74	7	60	475	525	525	575
Multiples	604	278	119	6	20	75	125	75	125
Starts - Total	967	509	193	13	80	550	650	600	700
Resale Market									
MLS® Sales	1,719	1,724	974	950	1,010	880	920	1,020	1,080
MLS® Average Price($)	628,152	597,626	560,794	502,000	508,000	514,000	506,000	516,000	524,000

	2013	2014	2015	2016	2017(F)	2018(F)
Rental Market						
October Vacancy Rate (%)	5.4	11.8	29.4	17.8	8.0	7.0
Two-bedroom Average Rent (October)($)	2,002	2,162	1,841	1,454	1,454	1,475

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Rental Market: Privately initiated rental apartment structures of three units and over.
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It is possible that the low end (L) and the high end (H) of forecast ranges for residential housing starts for singles and multiples jointly may not add up to the total. This is caused by rounding as well as the volatility of the data.

Source: CMHC (Starts and Completions Survey and Market Absorption Survey). Statistics Canada. CREA(MLS®). CMHC Forecast (2016-2018).

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